

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 8

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JUN 2 9 2015

Ref: 8EPR-N

Mr. Mitch Iverson BLM South Dakota Field Office 310 Roundup Street Belle Fourche, South Dakota 57717

Re: South Dakota Field Office Proposed Resource Management Plan and Final Environmental Impact Statement, CEQ#20150141

Dear Mr. Iverson:

The U.S. Environmental Protection Agency Region 8 has reviewed the Bureau of Land Management June 2015 Final Environmental Impact Statement (EIS) and Proposed Resource Management Plan (PRMP) for the South Dakota Field Office (SDFO). Our comments are provided for your consideration pursuant to our responsibilities and authority under Section 102(2)(C) of the National Environmental Policy Act (NEPA) and Section 309 of the Clean Air Act (CAA).

Background

The PRMP/EIS describes and analyzes alternatives for the planning and management of public lands and resources administered by the BLM SDFO. The planning area for the SDFO covers the entire state of South Dakota, which includes approximately 49.3 million acres. Within the planning area, the BLM administers about 274,000 acres of public land surface estate. The majority of BLM-administered surface estate is located in Harding, Butte, Lawrence, Pennington, Custer, Fall River, Perkins, Meade, Ziebach, and Jackson counties. The BLM manages approximately 1.7 million acres of federal mineral estate in 37 counties in South Dakota. Over 99 percent of the BLM-administered surface and mineral estate in the planning area is located in western South Dakota.

The PRMP/EIS considers four alternatives. Alternative A is a continuation of current management (No Action Alternative), Alternative B emphasizes resource development, while limiting protective management of resources, Alternative C emphasizes the most protection of resources while still providing for use of resources, and Alternative D, the proposed action, increases conservation of physical, biological, cultural and visual resources compared to Alternatives A and B and does not provide the more stringent resource protection measures that were developed under Alternative C. The PRMP is designed to address numerous management challenges for resource use, include energy development, travel management, livestock grazing and greater sage grouse habitat management, in a manner which conserves physical, biological, heritage and visual resources. This PRMP will replace the South Dakota RMP (1986), the Miles City Oil and Gas EIS (1994), and the Fort Meade Recreation Area ACEC Plan (1996). Since this is a programmatic analysis, site specific projects are not being considered for approved at this time.



We appreciate that many of our September 11, 2013 comments on the Draft EIS have been addressed. Our remaining comments are all within the scope of concerns expressed in our Draft EIS comment letter and focus on only the most significant of those concerns as they pertain to the NEPA analysis and protection of air resources and water resources.

Air Resources

We want to reiterate that the BLM Montana/Dakotas Office has done an excellent job of implementing the 2011 "MOU Regarding Air Quality Analyses and Mitigation for Federal Oil and Gas Decisions through the NEPA Process" and coordinating the associated Air Quality Technical Workgroup (AQTW). The collaboration among the AQTW participants has resulted in effective and efficient NEPA air quality analyses thus far, and we believe it will continue to do so moving forward. The result of this collaboration and analyses are evident in the PRMP air quality protection measures, such as oil and gas lease stipulations and emissions reduction strategies to be required at the project level. These will help ensure that air quality and air quality related values are protected as projects begin to move forward and are tiered to the RMP analyses. The analyses, mitigation measures, and related collaborative processes are well-documented in the Final EIS and Air Resource Management Plan and include the BLM's commitment to "facilitate an interagency process to ensure that a comprehensive strategy is developed to manage air quality impacts from future oil and gas development in the region." We acknowledge and appreciate the resources and effort that have made the BLM Montana/Dakotas AQTW process successful thus far, and we look forward to continued participation.

Greenhouse Gas (GHG) Emissions and Climate Change

We appreciate the discussion of climate change and the inclusion of GHG emissions inventories for each alternative. We also note that Table 2-6, Summary Comparison of Alternatives, includes climate change-related management goals (e.g., reduce GHG emissions; maintain or improve the ability of BLM-administered lands to reduce (sequester) atmospheric GHGs) and management actions that will be implemented (e.g., prioritize actions that reduce or mitigate GHG emissions such as enhanced energy efficiency, use of lower GHG-emitting technologies and/or renewable energy, and capture or beneficial use of fugitive methane emissions; promote vegetative capture and storage of carbon).

We believe the Council on Environmental Quality (CEQ) December 2014 Revised Draft Guidance for Federal Agencies' Consideration of GHG Emissions and Climate Change offers a reasonable approach for conducting analyses of GHGs and climate change impacts. We note the South Dakota PRMP/Final EIS compares the GHG emissions to state, national and global emissions; we believe this approach does not provide meaningful information for a planning level analysis. We recommend that the NEPA analyses provide a frame of reference, such as an applicable federal, state, tribal or local goal for GHG emission reductions, and discuss whether the emissions levels are consistent with such goals.

While the Chapter 4 Climate Change section notes that "the lack of scientific tools (models with sufficient spatial and temporal resolution) to forecast climate change at local scales limits the ability to quantify many future impacts of climate change in the planning area," we recommend agencies follow the approach recommended in the CEQ guidance of using the projected GHG emissions as proxy for assessing a proposed action's potential climate change impacts. This allows an agency to present the environmental impacts in clear terms and with sufficient information to make a reasoned choice between the no-action and alternatives and mitigation.

Water Resources

Groundwater Resource Characterization, Impacts and Mitigation: In the Response to Comments section of the Final EIS, our recommendations regarding groundwater issues were largely addressed by reference to oil and gas best management practices, stipulations, and procedures. Since Chapter 3 notes that groundwater is a valuable resource in South Dakota, it will be particularly important that project level analyses clearly describe the groundwater resources of the planning area, analyze potential impacts, and assess best management practices and mitigation measures to protect the groundwater resources. We request that the SDFO refer to our September 11, 2013 comments on the Draft EIS to inform its future project level analyses with regard to groundwater resources.

<u>Oil and Gas Lease Stipulations</u>: We appreciate the BLM's considerable effort to protect water resources in the SDFO. The PRMP includes oil and gas lease stipulations that will be applied at the project level to protect water resources, including perennial or intermittent streams, lakes, ponds, reservoirs, 100-year floodplains, wetlands/riparian areas, and source water protection areas. We also appreciate the addition of the Lease Notice for Setbacks from Human Occupied Residences, which will ensure that facilities will not be allowed within 500 feet of human occupied residences. This measure essentially addresses our recommendation for a minimum 500-foot setback from private wells.

While some of these water resource lease stipulations are not completely consistent with the EPA's recommendations for No Surface Occupancy (NSO), we understand that the BLM believes a valuable level of buffer protection was achieved by including 100-year floodplains in the areas managed under the NSO lease stipulation in combination with the Controlled Surface Use (CSU) lease stipulation for riparian and wetlands areas. We encourage you to continue this positive trend in protecting the SDFO's valuable water resources.

We continue to recommend that the CSU lease stipulation for Riparian and Wetlands Resources be revised to NSO. We believe that NSO buffers are, in most circumstances, the surest method to protect aquatic resources, particularly in areas where high value water resources are in close proximity to areas with oil and gas development potential that may result in a high density of wells. We recommend NSO to minimize potential deterioration of water quality and to maintain natural hydrologic function of stream channels, stream banks, floodplains and riparian communities. Many causes of impairment can have several probable sources, including unknown sources, and assigning probable sources is a tentative exercise. While oil and gas development activities may not be specifically identified as a causal factor at this time, many BLM-authorized activities, including oil and gas development, have the potential to contribute to concerns regarding sedimentation and stream-side vegetation alteration. With this in mind, we request that this NSO recommendation be reevaluated during the lease sale stage or project level NEPA analyses.

<u>Water Management Associated with Oil and Gas Development:</u> We note that quantitative analysis of these issues was deferred to the project level. Given concerns with drought conditions in the planning area, it will be particularly important for project level analyses to address issues related to the management of flow back and produced water, including the following topics: estimated water demand; sources of this water; potential impacts of the water withdrawals; estimated volume of produced water to be generated; options and potential locations for managing the produced water; and potential impacts of produced water management.

Water Resource Monitoring: We note that our Draft EIS recommendations related to water resource monitoring were not addressed. We continue to recommend that all BLM-authorized oil and gas multiwell projects be required to conduct groundwater and surface water monitoring prior to, during and after development to detect impacts to both surface water and groundwater resources. Recent spill events in the Montana/Dakotas region highlight the importance of gathering pre-development data. In anticipation of the need for baseline information to respond to spill events and/or potential future reporting needs, we encourage you to develop a water quality monitoring plan for inclusion in the RMP. We are available to discuss such plans if that would be helpful.

Closing

We have greatly appreciated the BLM's collaborative efforts over the years of development of this EIS. While we support your PRMP, we note that if a less protective decision is ultimately selected, then some of our previous comments on the water resources and air quality analyses and mitigation measures for this EIS would be important to revisit. If further explanation of our comments is desired, please contact me at 303-312-6704, or your staff may contact Dr. Angelique Diaz, at 303-312-6344 or diaz.angelique@epa.gov.

Sincerely,

David Francych

Philip S. Strobel

Director, NEPA Compliance and Review Program Office of Ecosystems Protection and Remediation

cc: Tom Brandner, South Dakota Department of Natural Resources, Ground Water Section, Administrator